

COUNTY OF KAUAI  
Minutes of Meeting  
**Open Session**

Board/Committee:	<b>LIQUOR CONTROL COMMISSION</b>	Meeting Date	<b>October 19, 2017</b>
Location	Mo'ikeha Building, Meeting Room #3	Start of Meeting: 4:03 p.m.	End of Meeting: 5:36 p.m.
Present	Vice Chair William Gibson; Members: Shirley Akita, Paul Endo, Maryanne Kusaka, Gerald Matsunaga, Gary Pacheco Also: Liquor Control Staff: Director Gerald Rapozo, Private Secretary Cherisse Zaima; Deputy County Attorney Nicholas Courson		
Excused	Jean Iida		
Absent			

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SUBJECT	DISCUSSION	ACTION
<b>Call To Order</b>		Vice Chair Gibson called the meeting to order at 4:03 p.m. with 6 members present, constituting a quorum.
<b>Roll Call</b>	Director Rapozo called roll, noting 6 members were present.	
<b>Approval of the Agenda</b>		Mr. Matsunaga moved to approve the agenda. Ms. Akita seconded the motion. Motion carried 6:0.
	Chair Gibson stated for the record that the Violation Hearing would be taken as the first item on the agenda.	
<b>Violation Hearing</b>	<u>BANGKOK HAPPY BOWL THAI BISTRO</u> : Violation of HRS 281-31(c)(1) Licenses, classes.  Mr. Kirk Coult, and Mrs. Paula Coult, owners were present along with Manager Romel Acantilado; no counsel. The licensee admitted to the violation.	

	<p>Mr. Coult explained that they are primarily a dining business with set dinners, and in-house entertainment, and have been in business for two years without having any incidents, and without having to come before the commission. They consider themselves good neighbors in the community, and have had groups of 10 – 20 people sent over from either the Marriott, or from the Sheraton, after a wedding, etc. It's worked out great, and they have not had any issues with those groups. Mr. Coult stated that prior to the night of the violation, someone contacted him about having a group dine there after a roller derby tournament for appetizers and drinks. The group inquired whether they could have a DJ, to which Mr. Coult told them no, explaining that he did not want it to turn into a dance party; however, he was willing to have their weekly in-house surf band perform at the function. Mr. Coult added that he has had this surf band performing there for several months, but have never had dancers, noting that the made all of this clear to the group's organizer. He was told there would be approximately 30-40 people for appetizers, for which the adequate amount of food was prepared; however, Mr. Coult stated that 60-80 people ended up showing up as part of that group, which was well beyond their expectation. Mr. Coult stated that he was told that over the course of the night, there may be more than 40 people showing up, but that it would be an open house format with people coming and going, but not staying for the whole event. Mr. Coult explained that when more people than anticipated showed up, his management staff did their best, but they were not prepared for double the size of the anticipated crowd.</p> <p>Mr. Coult stated they have learned that this is one of the negative aspects of letting outside groups come to their establishment unless you are really familiar with them. He stated that on this particular night, they misjudged the size and attitude of the group, noting that participants of the event showed up in costumes, which was never part of the discussion. He stated there was difficulty in keeping an eye on the front door, and the back door.</p>	
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	<p>Mr. Coult added that when the Liquor Investigator showed up, the manager on duty was cooperative, but his presence wasn't strong enough at the door.</p> <p>Mr. Coult further explained that the group proceeded to hold an awards ceremony outside of the licensed premises, which created a problem with people wanting to go out to watch the ceremony; there were a number of factors that would not normally happen. Mr. Coult does not dispute what is in the Investigator's report, adding that they have worked very closely with Larry and Ken over the last two years.</p> <p>Mr. Coult explained that since this incident, they have now begun padlocking the back door after dinner to prevent people coming and going out of two entrances at night. Additionally, they have cut down the the walkway area at the front of the space from 15 feet to 4 feet after dinner, which makes it difficult for someone to get by the front doorman. They have added a large sign at the front that states: No alcohol beyond this point. They have been working with their management team to ensure the padlock goes on at night, and that the front of the restaurant is covered. Mr. Coult stated he has heard that this particular group caused a lot of problems for another establishment last year, which shows him he needs to be more careful about letting large groups in. Had he known the type of group it was, he would have suggested they have their event elsewhere, but he states he was given inaccurate information.</p> <p>Mr. Coult stated they have hired new guards that possess guard cards, which show they are trained to be security guards, and all front floor managers have blue cards.</p> <p>Commissioner Matsunaga asked whether he has read the details of the violation, which indicate there were many instances of violations on that night; he is lucky that he was only charged with one count. Commissioner Matsunaga expressed his concern that there was a male staff member</p>	
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	<p>stationed at the front entrance who was not taking control of the situation. Mr. Coult explained that he feels the staff member did not take action because once those things were brought to his attention, Mr. Coult responded immediately by cutting off the music, and closing up the restaurant. Mr. Coult added that the security on duty that night were immediately let go, and have since been replaced.</p> <p>Commissioner Kusaka asked how long the licensee has been in business, and what the hours of operation are to which Mr. Coult replied they have been in business for 2 years, and normally close at 12 midnight; they are licensed to have music. Commissioner Kusaka asked to clarify that while there was security, they did not take action at all. Mr. Coult replied not necessarily, noting that the security was not doing his job correctly, and did not respond well until the liquor investigator pointed out a patron leaving with alcohol. Commissioner Kusaka asked whether the shopping center allows patrons to use the outside area for events, as happened with this group to which Mr. Coult replied that the shopping center has its own security for the outside areas, but this group went out on their own to hold their ceremony outside of the establishment, which was not authorized by Mr. Coult. Mr. Coult explained that the security for the shopping center is primarily near the parking lot area, not directly in front of their restaurant, which is why they were unaware of the situation. Commissioner Kusaka stated that it seems as though the group was out of control, and asked why the police were not called to which Mr. Acantilado replied he was busy doing what he could, and when the investigator approached him about people leaving with drinks, he explained that he had made an announcement that they were not to leave the establishment with drinks. He then went straight to the microphone and had an announcement made again. This was at 9:00 p.m.; at 10:30 p.m. is when this big incident occurred, at which time Paula Coult came in and shut everything down. Mr. Acantilado added that he believes some of the group members may have already had drinks prior to coming to the establishment, to which Commissioner Kusaka stated that</p>	
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	<p>it is in the rules that they are not to serve alcohol to someone that appears intoxicated. Mr. Acantilado stated they are normally able to assess patrons when they come to the bar, but in this case, the people drinking were not always the people coming to the bar. Commissioner noted that a big problem, and big concern of hers is people giving drinks to minors, and with a crowd this size, there is no way to tell whether a minor is consuming alcohol. Mrs. Coult explained that for that particular party, it was required that everyone be 21 years or older, and all members of the group had their ID's checked at the front door.</p> <p>Commissioner Endo commented that he wonders what would have happened had the Liquor Investigator not shown up, noting that up until his arrival, the group seemed to be having this party. He asked whether this could have been stopped prior to that, noting that their managers need to be trained better. Commissioner Endo added that his is concerned that the investigators report states that one of the managers approached the investigator and asked for leniency, and to be let off with only a warning, which is troubling to Commissioner Endo. Mr. Coult stated they have spent more hours with their management since this incident than they ever have since opening on procedures to ensure this doesn't happen again.</p> <p>Commissioner Akita stated she appreciates the fact that since this experience, they have come forward to share some of the procedures that have been put into place to rectify the situation, and ensure it will not happen again.</p> <p>The violation hearing was closed.</p>	
<b>Public Hearing</b>	<p>1. <u>NEW LIQUOR LICENSE:</u></p> <p><u>ANAINA HOU COMMUNITY PARK:</u> Application No. 2018-026 was filed on August 10, 2017 by Anaina Hou Community Park dba Anaina Hou Community Park for a New Dispenser General (live music and</p>	<p>Mr. Matsunaga moved that a fine of \$1,000 be imposed. Ms. Kusaka seconded the motion. Motion carried 5:1 (Nay – Akita)</p>

	<p>dancing) license at 5-2723 Kūhi'ō Highway, Kīlauea, Kauai, Hawaii. The Commission accepted Application No. 2018-026 for publication and public hearing on August 17, 2017 and ordered to print notices of public hearing in The Garden Island newspaper on Wednesdays, August 23 &amp; 30, 2017, scheduling the public hearing on Thursday, October 19, 2017 at 4:00 p.m. or shortly thereafter in Meeting Room #3 of the Līhu'e Civic Center, Moikeha Building, 4444 Rice Street, Līhu'e, Kaua'i, Hawai'i.</p> <p>Commissioner Pacheco recused himself from discussion and action on Application No. 2018-026, noting his position as Director of the Kīlauea Neighborhood Board, which filed a letter of support for this application.</p> <p>Mr. Thomas Daubert, and Mr. Frank Rothschild, member of the Anaina Hou Community Park were present along with Collin Darrell, Operations Manager.</p> <p>The Department received 2 letters in support, and 3 letters in opposition of the application.</p> <p>Mr. Rothschild wished to address some points in the 3 emails the department received in opposition of the project, which he states contains some misinformation based on old facts, or wrong facts.</p> <ol style="list-style-type: none"><li>1. Puukumu school being located on their property.</li></ol> <p>Mr. Rothschild explained that there was a time when that was in the works, but the school has since obtained a 2-year lease on another property, and will no longer be located on the Anaina Hou property.</p> <ol style="list-style-type: none"><li>2. Outdoor amphitheater.</li></ol>	
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Mr. Rothschild explained that the original concept of Bill Porter was to include an outdoor amphitheater, but there were both neighbors' concerns about noise as well as the Board's concern about the cost of both constructing and sustaining it once the Porter's financial support ended. A few members traveled to Maui to meet with the Maui Arts and Cultural Center to gather information on how they paid for the expenses related to the facility, such as air-conditioning for the structure which turned out to be six figures. At that point, the amphitheater was already under construction, but was subsequently stopped in order to allow the Board to re-envision their plans, which ultimately resulted in cutting the amphitheater; there is no outdoor amphitheater at all.

3. Claims of being "next door" to the establishment.

Mr. Rothschild referenced the map he provided of the Anaina Hou property and its surrounding areas, noting they encircled their property in red on the map, and noted in yellow the 500 foot radius pointing out that none of the residents that provided testimony in opposition live within that radius; the event pavilion is located thousands of feet from their residences. He added that there is a stream, a forest/jungle, and a steep slope going upward between the pavilion and the area where their homes are. Still, they are fencing the area where the pavilion is entirely to avoid any potential issues. Mr. Rothschild is unsure what the testifiers in opposition are concerned about regarding being "next door" noting there will not be any impact on their lives.

Mr. Rothschild wished to clarify that once the buildings are complete, the financial commitment from the Porters will end, which will mean the Board will be responsible for running and financing the facility; this is the reason they wish to obtain a liquor license as it will provide them adequate income in order to sustain the park.

	<p>4. Concerns about people drinking at the stone dam.</p> <p>Mr. Rothschild stated that the stone dam is two and a half miles away, and he does not see how serving beer and wine will result in a bunch of drunks at the stone dam. He feels it is a non-issue.</p> <p>5. The addition of a second golf course.</p> <p>Mr. Rothschild stated they currently have 18 holes of miniature golf, and have no plans to expand to 36 holes.</p> <p>6. Failed ventures by the Porters.</p> <p>Mr. Rothschild does not have any idea what that person is talking about, noting that the Porters venture at the current location has been a great success.</p> <p>7. The concern that there would be a bunch of food trucks at the Porter pavilion.</p> <p>Mr. Rothschild explained there will be a certified kitchen built in one of the structures directly across the pavilion which people can use for the events held there such as weddings or baby luaus. There will be walk-in refrigerators and freezers for food storage, and a full kitchen for their use. It is not a facility that will have food trucks there to feed people.</p> <p>8. Complaints of noise.</p> <p>Mr. Rothschild stated the first they have heard about any noise complaints is in the email testimony from Mr. Gair. No one has called them to complain about noise otherwise. The pavilion is intentionally positioned so the stage area directs sound away from the residences of the testifiers in opposition.</p>	
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	<p>Additionally, there is noise limit of 10:00 p.m., and a decibel limit.</p> <p>9. Concerns about parking.</p> <p>Mr. Rothschild explained they host the art walk that used to be in Kīlauea Town, and because of the current construction taking place on the Anaina Hou grounds, there has not been enough parking causing people to park along Kūhi'ō Highway. The Board realizes that is less than ideal, and as soon as the construction of the pavilion is complete, there will be plenty of planned parking, which will remedy that.</p> <p>Mr. Thomas Daubert added that they are aware that they have exceeded the current parking limit, but they have been parking their vendors out on the road to allow the public attending their events to utilize the campus for parking. As soon as the pavilion is complete, three additional parking lots will be added.</p> <p>Mr. Collin Darrel wished to address the number of parcels within the 500 foot radius, noting that the TMK map they used there were only 7 properties to send the letters to. However, when they looked deeper into the TMK's, they found there were a number of parcels divided out for future projects, which then escalated the number up to 57. When they did the mailings, they made sure the letters went to any potential property owners, whether there was a house built or not.</p> <p>Commissioner Matsunaga asked to clarify that the applicant is requesting the liquor license cover 580,000 square feet, which encompasses the entire property, including the miniature golf area. Mr. Daubert explained that when they met with Director Rapozo, they discussed the multiple needs and uses for the park as time goes on, and rather than having to come back each time to consider a different need, they would like one unified license that would cover all of the needs they anticipate in the future. This would</p>	
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	<p>include events in the Porter pavilion, casual dining in the food court, additional event space such as in the parking lot for outdoor festivals, etc. Because there are multiple places on the property that they would utilize at different times, and in different ways, in different spaces and locations, the recommendation was to look into a unified campus. Mr. Daubert pointed out, however, that the intention is not to have the entire campus used as a consumption zone on a regular basis.</p> <p>Commissioner Akita asked how underage patrons would be monitored to prevent underage drinking. Mr. Darrell explained that sales have been set up to have a singular bartender serving at the counter only, which will create a single point of contact for alcohol service. It would be clear is someone were coming back and forth frequently to ask for new drinks in a short period of time. They will not be allowing patrons to take more drinks than there are people at the bar, and will ensure the bartender is a blue card holder who will actively monitor alcohol sales.</p> <p>Commissioner Endo asked to clarify whether that the areas in blue on the map, which indicate where alcohol service will be, make up the 580,000 square feet to which Mr. Darrell replied no, the entire campus makes up the 580,000 square feet. The sections in blue are the primary, day to day areas where they intend to serve alcohol on a regular basis, but they wish to license the entire campus in order to have special events and functions elsewhere on the campus without having to pull a special license; they wish to have flexibility.</p> <p>Commissioner Endo asked to clarify why the investigators report states there will be food trucks when Mr. Rothschild stated there were not going to be any food trucks. Mr. Daubert stated he is not clear why food trucks are a concern, but explained that as part of the evolution of the park, they are looking into having food trucks in the food court/concession area, with the option to have a food truck drive to the pavilion area. Mr. Daubert</p>	
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	<p>reiterated that he is unclear why that would be of concern as it is just a different opportunity to feed people while providing modest alcohol sales.</p> <p>Commissioner Endo noted the investigators report does include an amphitheater, which he feels is why people may have been concerned. Mr. Daubert explained there have been various ways the Porter pavilion has been described, but noted that the original plans for the amphitheater have changed, and the Porter pavilion will be enclosed, and all sound contained within. Mr. Darrell added regarding food trucks that their plan is to have the food trucks in the defined food court area, not in the parking lot.</p> <p>Commissioner Kusaka asked to clarify that there may be some events that will be held outside of the pavilion to which Mr. Daubert replied that events and activities will happen all across the campus. Any amplified sound will only be within the Porter pavilion. Commissioner Kusaka referenced another licensee that received violations for purchasing drinks for other people who were underage, and feels that has to be carefully monitored as it can become a problem in such a wide open area.</p> <p>Commissioner Matsunaga asked if the 580,000 square feet they are requesting to have licensed includes the miniature golf and parking area to which Mr. Daubert replied it was his understanding that doing so would be easier to consider – one unified campus, with strict monitoring of consumption zones as opposed to multiple licenses for singular spaces within the campus. He stated they have no intention of serving alcohol in the parking area unless it is a special event such as a festival, for which they would erect a defined barrier. Commissioner Matsunaga stated he would prefer a more restricted area for alcohol consumption, expressing his concern that they are requesting to include the mini golf area, and the parking lot in the license, and noted that the applicant could apply for a special license should they have a special event; 580,000 square feet is a lot of area to monitor. Mr. Daubert explained that they could not guarantee</p>	
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	<p>they could monitor that amount of space, which is why they are very specifically creating a defined, fenced area of daily consumption in the food court area, and a fenced area around the pavilion, which is defined in blue on the map. Should they have a special event on another area of the campus, they would create a defined barrier, and not allow alcohol between any of the areas.</p> <p>Commissioner Gibson asked whether the applicant understands and accepts the responsibility of licensing 580,000 square feet to which Mr. Daubert replied yes.</p> <p>Commissioner Matsunaga commented that he has no problem with licensing the areas indicated in blue on the map, which would be the food court/concession area, and the Porter pavilion, but has concerns about extending it to the entire 580,000 square feet. Mr. Daubert stated there was concern that these were not contiguous spaces, and it would be easier to license the entire space considering that as well as considering the special events they plan to have.</p> <p>Commissioner Endo asked how many special events they plan to have on an annual basis to which Mr. Darrell replied they have anticipated roughly 20-30 events for next year, and hoping to grow into more. They are looking to have movie nights, plays and theater and other children's activities, concerts, and potentially a summer camp; alcohol is small part of what they want to do, but will be a way for them to sustain the business.</p> <p>Commissioner Endo clarified his question to ask how many special events are anticipated outside of the current areas designated for alcohol consumption. Mr. Daubert stated he hopes there are not a lot of events that require them to be out of the current designated spaces, but they already have a history of utilizing other areas of the campus.</p> <p>Director Rapozo stated that the application is for the entire property, but the</p>	
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	<p>Commission could designate the license cover the golf course area, snack bar, and pavilion, and designate the rest of the property as a non-service, non-consumption area.</p> <p>There was further discussion regarding designated, fenced areas of consumption, signage, and barriers.</p> <p>Deputy County Attorney Courson stated that should the applicant have a request for an event such as a wedding, they would likely received sufficient notice of the event, which would allow time for the applicant to obtain a special license; this could be a suitable compromise.</p> <p>Director Rapozo added that should the applicant wish to have a function directly outside of the licensed area, they could request a temporary increase of premises, which is simple and does not require commission action; the Director can approve such a request.</p> <p>Director Rapozo asked if the initial plan was to license the golf course to which Mr. Daubert replied other places such as bowling alleys are licensed, and they are no looking to restrict themselves; however they want to work within the comfort of the Commission. Director Rapozo advised the applicant that should they wish to utilize that area for consumption, they could easily request a temporary increase of premises; however, the mini golf area would not be considered part of the service/consumption area under this recommendation.</p> <p>The public hearing was closed.</p>	
		<p>Mr. Matsunaga moved to approve Application No. 2018-026, with a limited service and consumption area of 85,000 square feet, which would encompass the food court and concession stand, and pavilion and events lawn, with the remaining areas of the total 580,000 square feet designated as non-service and non-consumption areas. Mr. Endo seconded the motion. Motion carried 6:0.</p>
		<p>The meeting recessed at 5:29 p.m.</p>

		<p>The meeting resumed at 5:33 p.m.</p> <p>Mr. Pacheco returned to the meeting at 5:33 p.m.</p>
<b>Approval of the Minutes</b>	<u>APPROVAL OF THE MINUTES OF OCTOBER 5, 2017</u>	Mr. Pacheco moved to approve minutes of October 5, 2017. Ms. Akita seconded the motion. Motion carried 6:0.
	<p><b>1. <u>DIRECTOR'S REPORT:</u></b></p> <p>a) <u>INVESTIGATORS' REPORTS</u></p> <p>b) <u>INCOMING COMMUNICATIONS:</u></p> <p>(1) From Avid Marketing Group</p> <p>(2) From Strike &amp; Techel</p> <p>(3) From MHW, Ltd.</p> <p>(4) From Delicato Family Vineyards</p> <p>c) <u>OUTGOING COMMUNICATIONS:</u></p> <p>(1) To Avid Marketing Group</p> <p>(2) To Strike &amp; Techel</p> <p>(3) To MHW, Ltd.</p> <p>(4) To Delicato Family Vineyards</p> <p>(5) To All Wholesale Licensees</p> <p>d) <u>EMPLOYEES IN LICENSED PREMISES:</u></p> <p>Managers and Assistant Managers – See Attachment</p> <p>e) <u>ACTIONS OF THE DIRECTOR:</u></p> <p>(1) KUKUIULA STORE</p> <p>(2) THE WINE SHOP</p> <p>(3) WRANGLER’S STEAKHOUSE</p>	

	f) <u>INFORMATIONAL MATTERS:</u>	Mr. Pacheco moved to accept Items 1(a) through 1(f). Mr. Endo seconded the motion. Motion carried 6:0.
2.	<u>PERMANENT INCREASE OF PREMISES:</u>  <u>POSTCARDS CAFÉ:</u> Request for permanent increase of premises to include the outside garden area, per diagram submitted.	Ms. Akita moved to approve the permanent increase of premises. Mr. Matsunaga seconded the motion. Motion carried 6:0.
3.	<u>CHANGE IN CORPORATE OFFICERS:</u>  <u>FOODLAND SUPER MARKET, LIMITED:</u> Election of Stacy Marie Kuipo Waiau-Omori as Vice President; resignation of Alan Teruo Tsuruda as Officer effective September 8, 2017.	Ms. Akita moved to accept the change in corporate officers. Mr. Pacheco seconded the motion. Motion carried 6:0.
<b>Announcements</b>	Next Scheduled Meeting: Thursday, November 2, 2017 – 4:00 pm, Mo'ikeha Building, Meeting Room #3.	
<b>Adjournment</b>		Vice Chair Gibson adjourned the meeting at 5:36 p.m.

Submitted by: \_\_\_\_\_  
Cherisse Zaima, Private Secretary

Reviewed and Approved by: \_\_\_\_\_  
William Gibson, Vice Chair